

# Nine Decades of Lifelong Learning

By Sidney Kess

**E**ditor's Note: As we celebrate our 90th year of publication, longtime author and Editorial Board Member Sid Kess brings a rare perspective of The CPA Journal and the NYSSCPA: Though I may not remember the early years, I am one of the few members who has lived through all nine decades of the *Journal's* publication. I have seen how the profession has grown and evolved over all these years, and have been at the forefront of a number of the changes that developed in the world of accounting.

## Lessons from the Great Depression

My first exposure to the accounting profession was as the young son of an accountant working during the Great Depression, and then World War II. My father first worked as controller of the Bank of the United States, a large bank that failed during the Great Depression. My father lost his job when the bank was liquidated in December 1931, after which he did tax returns and tried to work for the typical accounting firms that existed at the time.

In those days, the world of accounting was very different. During the tax season, firms often functioned as sweatshops that would exploit employees during the busy season, getting people to work 75-hour workweeks with the promise that they would get significant bonuses for this overtime once the busy season ended. Once the tax season was over, employers then used all kinds of formulas to give unfair amounts to employees who had worked so hard when the firms were busy. When employees realized that they would not receive the compensation promised, they often became enraged and would start to look for new jobs. But during the off-season, there was little work available, and so people were left unemployed, often for months on end. When the busy season approached the next November, firms would start hiring again. Employers would look at resumes and question why employees had left their positions, implying that they were to blame. Nobody acknowledged the exploitation that was taking place.

I remember my father buying the *Times* on Sunday to get the help wanted ads. He would send letters out to all the firms that advertised available openings. I remember how much it meant for my father to get an interview. Money was so tight. A social

worker came from the U.S. government to teach my mother how to stretch a chicken so it could feed a family of five for a week. The family doctor would not take payment for visits, encouraging my mother to instead use the money to buy shoes.

Obviously, things have changed since the Great Depression. In addition, laws on the books now protect employees from uncompensated overtime, as well as the racial and religious discrimination that were widespread during that period. Many other practices are now in place to benefit employees. Firms try not to lose good employees after tax season, with some giving compensated time off and others sending employees to retreats after tax season. Many accounting firms give employees meals or pay for car service rides home. Moreover, many companies began providing money for continuing education courses. This is especially important because, there is so much more material to be mastered now than in years gone by.

## A Career Grounded on Teaching Others

I studied accounting at Baruch College in the late 1940s and then went to Harvard Law School on the GI Bill after fighting in Europe during World War II. Lybrand, Ross Brothers and Montgomery (LRB&M) came to interview students at Harvard in 1952; because I wanted to specialize in taxation, this was a good place to start. LRB&M gave me my first job, and from the start I tried to look for creative ways to improve the firm and the profession.

The name LRB&M was a bit unwieldy, and most people did not know what the initials stood for. I sent a memo to the chairman of the firm and suggested that the name Lybrand packed a bigger punch; before long, the higher-ups agreed and the phone operator started to answer calls with "Lybrand" instead of "LRB&M." Our newsletter and journal also got new monikers. I became known as an "idea man."

Lybrand's tax training courses seemed too technical and code oriented. I suggested they be presented more straightforwardly in the "language of the accountant"; as a result, the firm asked me to develop a new course. After this, I was asked to organize a reference file for all the memos written in the tax department. Eventually, the national office asked me to collect, organize, and perfect all the forms and checklists developed by each office.

I developed a firmwide tax manual that benefitted the entire organization.

While working at Lybrand's tax department, I heard a Commerce Clearing House (CCH) representative tell me about a newly acquired computer service called Computax; I told him practitioners would need to be trained how to use the service. Before long, CCH had hired me to run "user conferences" in several major cities to train hundreds of people using Computax.

I became energized by the concept of promoting continuing education. Over the years, I developed numerous continuing education approaches, including workshops, audiocassettes, and video "Kassettes" to explain new tax acts. I came up with the idea for a newsletter on estate planning. The president of CCH didn't think there would be enough material to fill a newsletter, but over 40 years later, it is still going strong. The Estate Planning Guidebooks became such a success that they developed into a tax service, and I developed three other newsletters with CCH. For every year during over a half century, I analyzed every major tax bill, and published by CCH as "Kess on Each Major Tax Law."

I got involved with the NYSSCPA early on. The Society asked me to speak about tax research at a summer conference in the 1950s. I felt that many accountants didn't realize how many helpful tools existed. After investigating forms and checklists to help practitioners manage their tax practices, I developed a course for the AICPA on everyday tax research. I also helped to organize the Association of CPA Candidates and developed several guides to help CPAs pass their exams. At first, I conducted classes on a volunteer basis. After the death of David Levites, I took over the Levites CPA coaching classes and, over the next 10 years, ran one of the most successful CPA coaching courses in New York. I would estimate that 1 million CPAs have taken my courses over the years.

For the past 50 years, I have conducted video programs for the AICPA on corporate and individual tax returns, in addition to editing the *CPA Client Bulletin* and the *CPA Client Tax Letter* for 10 years. I have also been involved with the publishing of many books on tax planning, as well as books on managing a profitable practice. My book on the 1969 Tax Reform Act sold 50,000 copies.



### Continuous Innovation

Nothing I have done over the course of my career was brilliant; I just saw needs arising in the world of accounting and continually developed innovative approaches to fill those needs for practitioners. I believe that whenever there are changes in the law, everyone is at the same starting line—whether one is a young practitioner or a seasoned tax expert. The more complex the tax changes, the greater the challenge and the greater the opportunity for young professionals. Furthermore, with new technology and the availability of material on the internet, it is possible to gain access to massive amounts of material free of charge.

It is important to keep up with changes and stay one step ahead of everyone else. Every CPA must commit to con-

tinuous learning throughout one's career. The original Internal Revenue Code was 27 pages long; 100 years later, the Tax Reporter (containing code provisions, relevant committee reports, regulations, and judicial opinions) consists of 25 volumes and approximately 80,000 pages.

When something new develops in the accounting world, every practitioner can become an expert and make oneself indispensable. I sometimes like to reminisce about accounting in the "old days," when I first started at Lybrand and most tax accountants were "generalists," knowledgeable about all aspects of taxation. Today, things are so complicated that people must become experts in specialized areas such as compensation, inventory, valuation, depreciation, trusts and fiduciaries, international taxation, forensic accounting, tax controversy, financial planning, corporate reorganizations, estate planning, and state and local taxes.

It's a new world. We've seen so many changes in the law; I tried to make the changes understandable to the average accountant, and to do so I had to understand them myself. People kept coming back every year for updates. It has been over a half century now, and I believe I've enabled many to adapt to critically important changes in the world of accounting and taxation. I am certain I've added value and helped many people along the way. Isn't that what life is all about? ■

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